

1 Adopt 2 Cal. Code Regs. Section 18521.5 to read:

2 **§ 18521.5. Ballot Measure Committees Controlled by Candidates for Elective State**  
3 **Office.**

4 Except as otherwise provided for recall committees under Section 85315 and  
5 Regulation 18531.5, a candidate for elective state office may control a committee under  
6 Section 82013(a) to support or oppose the qualification or passage of a measure only as  
7 provided in this regulation:

8 (a) The committee shall be primarily formed as defined in Section 82047.5 and  
9 Regulation 18247.5.

10 (b) A candidate who is the proponent of the measure may open the committee at  
11 any time.

12 (c) A candidate who is not the proponent of the measure may open the committee  
13 on or after the earliest of any of the following dates:

14 (1) The date the measure's proponent opens a committee to support the measure.

15 (2) The date when the measure has been submitted to the Attorney General with a  
16 written request that a title and summary of the chief purpose and points of the proposed  
17 measure be prepared.

18 (3) The date when the measure has been ordered or is otherwise legally required,  
19 to be placed on the ballot.

20 (d) The committee name shall include the name of the controlling candidate and  
21 the economic or other special interests as required by Section 84504 and Regulation  
22 18450.3, and the measure or measures supported or opposed as required by Section  
23 84107. The committee's Statement of Organization shall specifically identify the

1 measure or measures that the committee supports or opposes, and shall clearly describe  
2 any measure that has not been assigned an official ballot designation at the time the  
3 Statement of Organization is filed.

4 (e) If the committee makes a communication described in Section 85310(a) that  
5 “clearly identifies” a candidate for elective state office, as defined in Regulation  
6 18531.10(a)(1), contributions to the committee are subject to the limit prescribed for  
7 political party committees in Section 85303(b) if the communication is made at the  
8 behest of the clearly identified candidate.

9 (f) The expenditure of committee funds shall be subject to the following  
10 restrictions:

11 (1) Except as set forth in paragraphs (3), (4) or (5) below, the funds shall only be  
12 spent on expenses related to the qualification, passage or defeat of the measure or  
13 measures supported or opposed by the committee, which shall include reasonable  
14 committee administrative overhead and compliance costs. In no case shall the funds be  
15 spent in violation of the restrictions on use of campaign funds by candidates for elective  
16 office in Sections 89511 through 89518.

17 (2) The funds shall not be expended for the purpose of making a contribution to,  
18 or an independent expenditure supporting or opposing, a candidate for elective office.

19 (3) Contributions may be returned to a committee contributor at any time.

20 (4) If the committee is redesignated as a primarily formed committee to support  
21 or oppose another ballot measure or measures, the funds may be used for that purpose.

1       (5) Within 60 days prior to closing the committee, the funds may be transferred  
2 to another committee primarily formed to support or oppose another ballot measure or  
3 measures or disposed of pursuant to subdivision (b)(3) of Section 89519.

4       (g) A candidate for elective state office who controls a general purpose  
5 committee on the effective date of this regulation shall, within 30 days following the  
6 effective date of this regulation and consistent with Chapter 4 (commencing with Section  
7 84100) of the Act, redesignate the committee as a primarily formed committee under this  
8 regulation, relinquish control of the committee, or close the committee and distribute  
9 remaining committee funds pursuant to Section 89519.

10       (h) This regulation shall not be construed to permit a use of committee funds in  
11 violation of Elections Code Section 18680.

12 Note: Authority cited: Section 83112, Government Code. Reference: Sections 82016,  
13 82047.5, 85301, 85302, 85303, 85304, 85310, Government Code; Section 18680,  
14 Elections Code.